
FISCAL UPDATE Article

Fiscal Services Division

June 4, 2018



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

END OF SESSION — SF 2390 — LICENSURE OF FOOD ESTABLISHMENTS ACT

Description. [Senate File 2390](#) changes requirements related to hotel sanitation, home bakeries, food establishments, and food processing plants. The Act makes the following changes:

- Revises fee structures and increases annual license fees for retail food establishments (grocery stores), food service establishments (restaurants), and home food establishments (home bakeries).
- Requires a food establishment or food processing plant seeking licensure to renew prior to the time of the expiration of licensure.
- Adds a \$200 general application fee for licensure under Iowa Code chapter [137F](#) with specified exclusions within the Act. Additionally, the Act requires an individual conducting an event to submit a \$50 application fee 60 days prior to the event.
- Changes the penalty from a 10.0% one-time fee upon failure to renew a license on or before the expiration date to 10.0% of the license fee per month following the expiration date.

Fiscal Impact. The fiscal impact would be an annual increase of approximately \$1.2 million in fee revenue that the Department of Inspections and Appeals is permitted to retain.

Table 1
Estimated New Fee Revenue Under
SF 2390, Licensure of Food Establishments Act

Food Establishment	Fee Type	New Fee Revenue
Hotel Food Sites	License	\$ 15,000
Home Bakeries	License	25,000
Food Service Establishments	License	454,050
Temporary Foods	Application	30,000
Vending Machines	License	3,000
Mobile Food Vendors	License	134,800
Retail Food Establishments	License	276,500
Food Processing Plants	License	57,300
Farmers Market Vendors	License	6,700
Large Events	Application	1,000
All Non-Exempt Entities	Application	190,000
Total Revenue		\$ 1,193,350

Enactment Date. The Act was approved by the General Assembly on May 3, 2018, and was signed by the Governor on May 16, 2018.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

965844